

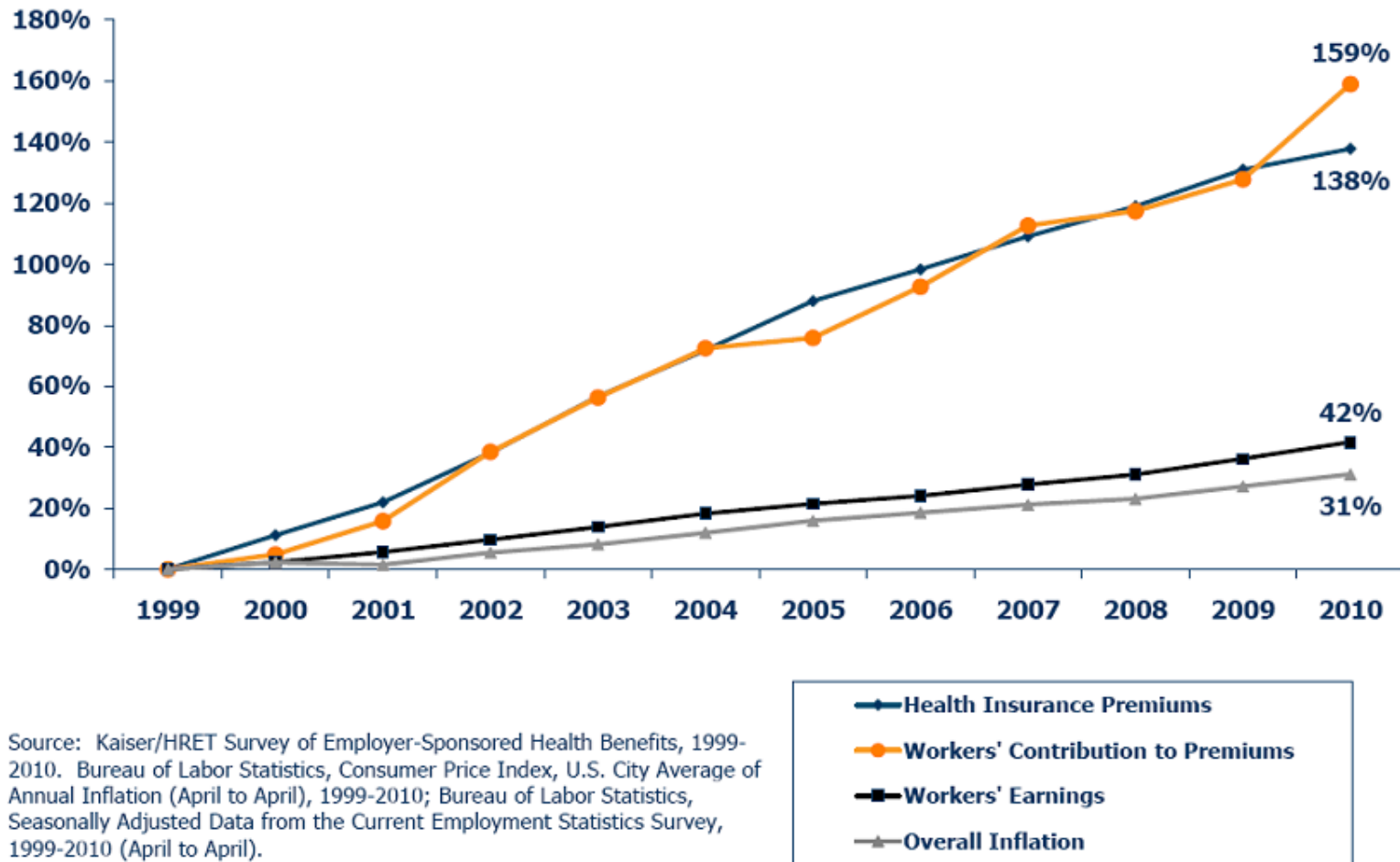
# Mini-Summit Five: Value Based Purchasing

## Session Introduction

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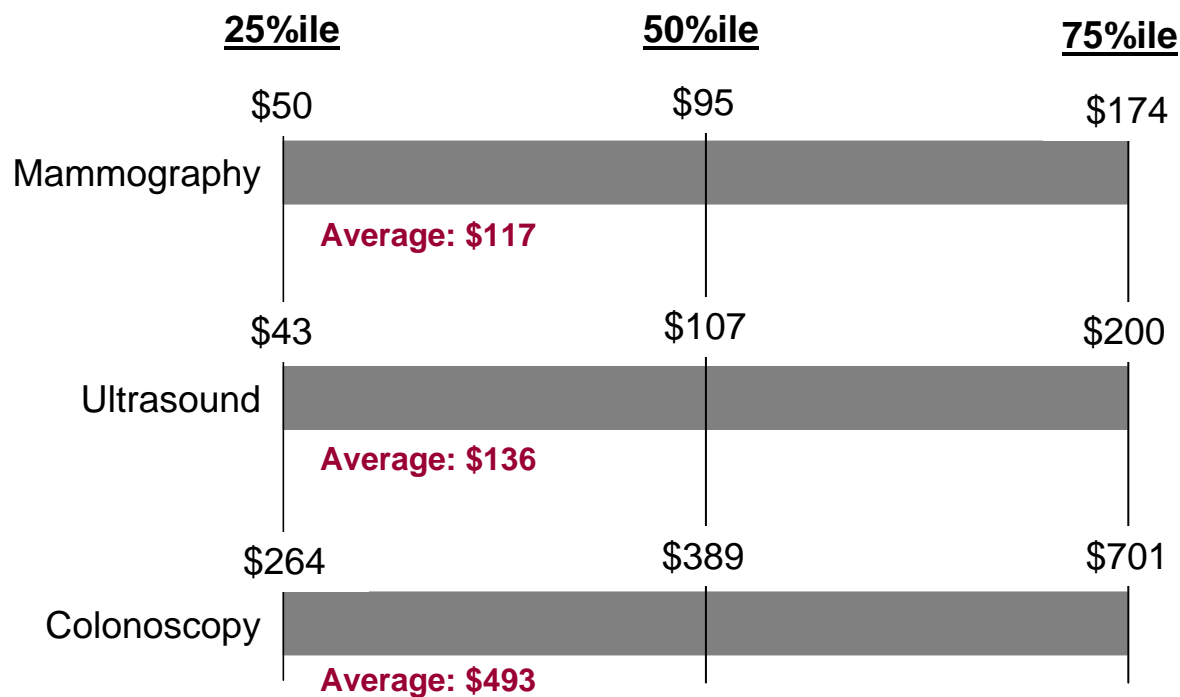


# Cumulative increases in premiums, worker contribution, earnings, and inflation 1999-2010



# Payments vary dramatically from provider to provider

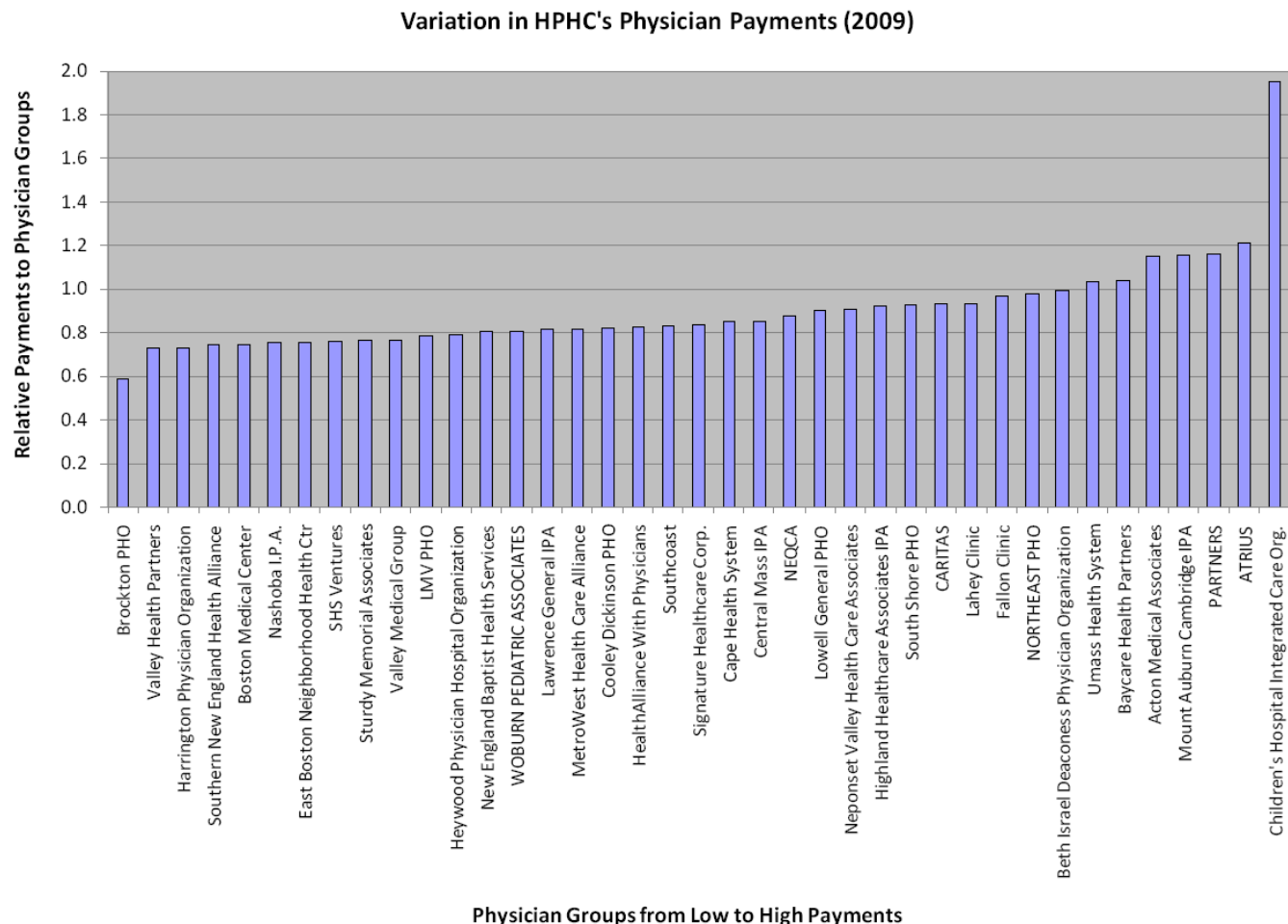
## Cost Variation of Professional Fees for Selected Preventive Services



*\*Source: Towers Watson National Data Cooperative database; all fees shown are professional only*



# Total Medical Expense Varies Dramatically from Provider to Provider

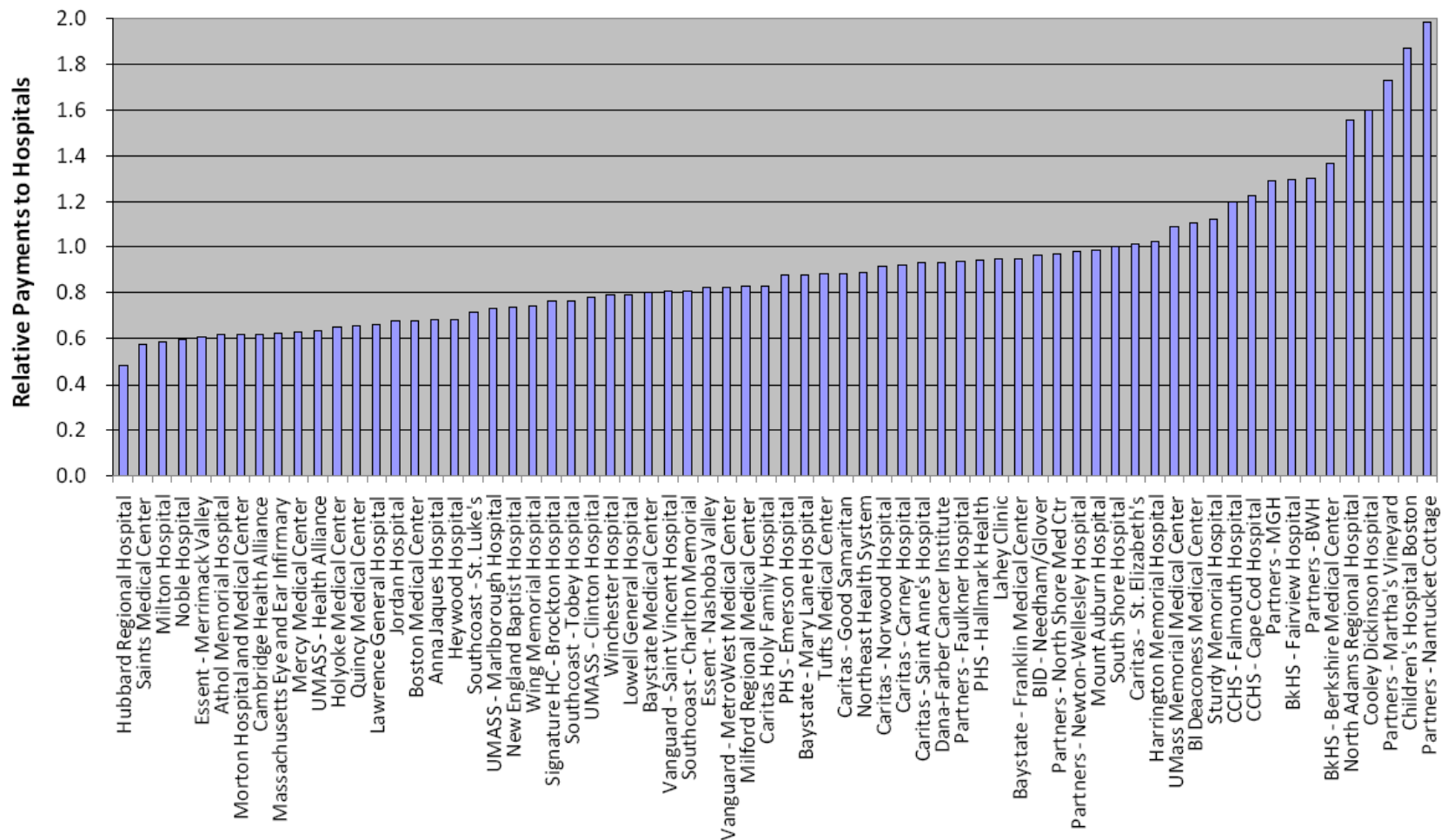


Source: 2011 Mass Attorney General's Report



# Total Medical Expense Varies Dramatically from Provider to Provider

Variation in THP's Hospital Payments (2009)



Hospitals from Low to High Payments

Source: 2011 Mass Attorney General's Report



# Trends in the Employer Market to Increase Purchasing Value

- Benefit Design
  - General increase in deductibles and member cost share
  - Free or deeply discounted high value services
  - Higher member cost share for low value services
  - Reference-based pricing
- Network Design
  - Limited or tiered networks
  - Centers of excellence
  - Medical tourism
- Provider Payment
  - Pay for 'value'
  - Bundled payment



# Agenda for the Mini-Summit

- Teresa Clark, MBA, MPH
  - Vice President Social Sciences Practice, VHA, Irving, TX
- Trent Haywood, MD, JD
  - Senior Vice President, Chief Medical Officer, VHA, Irving, TX
- François de Brantes
  - Executive Director, Health Care Incentives Improvement Institute, Newtown, CT
- Leslie Curry, PhD, MPH
  - Research Scientist, Yale School of Public Health, Core Faculty of the Robert Wood Johnson Foundation Clinical Scholars Program, Yale School of Medicine, New Haven, CT



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